

Mayor

Clay Koplín

Council Members

Tom Bailer

Cathy Sherman

Jeff Guard

Melina Meyer

Anne Schaefer

David Allison

David Glasen

City Manager

Helen Howarth

City Clerk

Susan Bourgeois

Deputy Clerk

Tina Hammer

Student Council

vacant

**City Council Work Session
October 14, 2020 @ 9:00 am
Cordova Center Community Rooms
Agenda**

A. Call to order

B. Roll call

Mayor Clay Koplín, Council members Tom Bailer, Cathy Sherman, Jeff Guard, Melina Meyer, Anne Schaefer, David Allison, and David Glasen

C. Work Session topics

1. City Insurance Presentation by **Clark Cripps** of..... (page 1)
Hub International and **Carleen Mitchell** of *APEI*
(*Alaska Public Entity Insurance*)

D. Adjournment

If you have a disability that makes it difficult to attend city-sponsored functions, you may contact 424-6200 for assistance.

Full City Council agendas and packets available online at www.cityofcordova.net

Program Premium Summary – City of Cordova – AcctID# 262 – Policy Year: July 1, 2020 to July 1, 2021
Rev14: Revised Quote #2 without Broker Commission

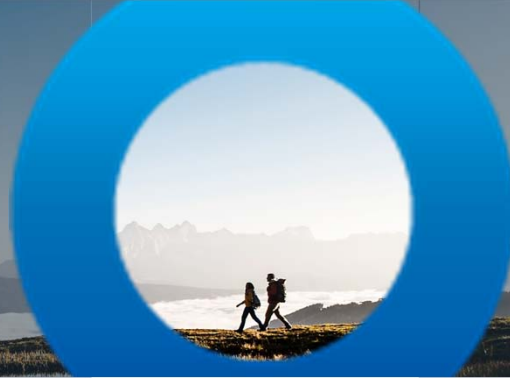
Property & Mobile Equipment						
	APEI Aggregate Limit of Insurance	Deductible	Total Stated Value	Gross Premium	Longevity Credit	Gross Premium After Longevity Credit
PROPERTY – ALL RISK COVERAGE						
Buildings, Contents, Docks, Other	\$200,000,000	Varies	\$137,400,443	\$228,221.05	\$3,423.28	\$244,797.77
Fine Arts	\$5,000,000	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00
Mobile Equipment	\$10,000,000	Varies	\$2,893,156	\$7,145.19	\$107.19	\$7,038.00
EARTHQUAKE & FLOOD COVERAGE*	\$75,000,000	Varies		\$29,356.31	\$440.34	\$28,915.97
EQUIPMENT BREAKDOWN COVERAGE	\$200,000,000	Varies		Included		Included
				Property & Mobile Equipment Subtotal		\$260,751.74
Liability & Automobile						
	Limit of Insurance	Deductible	Rated Payroll or Vehicle Count	Gross Premium	Longevity Credit	Gross Premium After Longevity Credit
GENERAL LIABILITY			\$3,907,649	\$104,226.02	\$1,563.39	\$102,662.63
Comprehensive Liability	\$15,500,000	\$0.00				
Public Officials E&O	\$15,500,000	\$0.00				
Law Enforcement Liability	\$15,500,000	\$10,000				
Employment Practices Liability	\$15,500,000	\$10,000				
Employee Benefits Liability	\$15,500,000	\$0.00				
Water/Sewer Backup Liability	\$15,500,000	\$10,000				
Non-Owned Auto Liability	\$15,500,000	\$0.00				Included
Non-Owned Auto Physical Damage	\$50,000	\$1,000				Included
AUTOMOBILE						
Liability	\$15,500,000	\$0.00	50	\$18,128.85	\$271.86	\$17,856.99
Physical Damage	As Scheduled	Varies	49	\$26,914.45	\$403.76	\$26,510.69
UM/UII Liability	\$250,000	\$0.00				Included
UM/UII Physical Damage	\$25,000	\$250				Included
					Automobile Subtotal	\$44,367.68
VOLUNTEER MEDICAL COVERAGE	\$50,000	\$0.00		Included		Included
Workers' Compensation						
	Limit of Insurance	Deductible	Rated Payroll	Gross Premium	Longevity credit	Gross Premium After Longevity Credit
WORKERS' COMPENSATION (AK STATE ACT)	Statutory	\$0.00	\$3,907,649	\$85,351.81	\$1,280.26	\$84,071.55
EMPLOYER'S LIABILITY	\$3,000,000	\$0.00		Included		Included
Specialty Coverages						
	Limit of Insurance	Deductible		Gross Premium	Longevity Credit	Gross Premium After Longevity Credit
PUBLIC ENTITY CRIME COVERAGE	\$1,000,000	\$2,500		Included		Included
CYBER LIABILITY	\$2,000,000	\$2,500		Included		Included
Total Premium				\$499,343.68	\$7,490.08	\$491,853.60

*Optional Coverage: member chose to purchase Earthquake and Flood Coverage last year.

Gross Premium reflects 5% discount for current 3-Year Agreement.

Primary Marine Liability – 100% Hartford						
Insured	Locations	Docks/Slips/Berths	Coverage	Limits	Deductible	Premium
City of Cordova	Small Boat Harbor Municipal Dock City Dock T-Dock Travel Lift Facility Cordova, AK 99574	3 docks, storage lift facility, and marina	Port Marine Liability	\$1,000,000 CSL \$5,000 Medical Payments First Dollar Defense	\$10,000 Per Occurrence None	\$14,991.00
Excess Liabilities – 100% Hartford						
Insured	Locations/Operations/Vessels	Coverage	Limits		Deductible	Premium
City of Cordova	See Primary Coverage	Excess Liabilities	\$4,000,000 xs \$1,000,000 Underlying Marine Port Form and Protection and Indemnity		N/A	\$6,000.00
City of Cordova	See Primary Coverage	Excess Liabilities	\$6,000,000 xs \$5,000,000 Underlying Marine Port Form and Protection and Indemnity		N/A	\$5,551.00
						\$26,542.00

City of Cordova



Effect of Loss Control, 3yr Agreement, and Longevity Credits on Premiums

Policy Year 2020/21

APEI Members have several opportunities each plan year to earn credits to reduce their overall premium contributions in the next plan year. The following reflects your organization's gross premium, and the credits that are applied to your 2020-21 premium. To learn more about how to maximize your credits, please contact APEI's Loss Control Manager, Cole Cummins.

Line of Business	Gross Premium Without Credits	Value of Loss Control Credit	Value of Sprinkler Credit	3 Year Agreement	Longevity Credit	Gross Premium After Credits
Property (incl Flood and EQ)	\$271,134.06	\$0.00	\$0.00	-\$13,556.70	-\$3,863.65	\$253,713.71
Mobile Equipment	\$7,521.26	N/A	N/A	-\$376.06	-\$107.18	\$7,038.02
General Liability	\$114,282.92	-\$4,571.32	N/A	-\$5,485.58	-\$1,563.39	\$102,662.63
Automobile	\$47,413.96	N/A	N/A	-\$2,370.70	-\$675.65	\$44,367.61
Workers' Compensation	\$95,578.74	-\$5,734.72	N/A	-\$4,492.20	-\$1,280.27	\$84,071.54
All Lines Combined	\$535,930.94	-\$10,306.04	\$0.00	-\$26,281.24	-\$7,490.14	\$491,853.51

APEI Loss Control Premium Credit Program

Safety activities during the year can earn APEI members a significant credit to be applied to their premium for the following year.

Research has shown that employers who actively participate in safety and loss control activities experience fewer injuries to their employees, customers, students, and other visitors to their premises, as well as fewer property losses. This results in a more pleasant place to work and visit for employees and others, but also reduces the cost of liability, workers' compensation, and property claims.

Because of this reduction in claims costs, APEI offers an opportunity for our members to reduce their insurance costs by participating in loss control activities. Our Loss Control Premium Credit Program provides credit towards renewal of your insurance with APEI, earned by implementing some core safety and loss control activities. APEI members may earn credits of up to 10% for WC, 10% for Liability, and 4% for property which will be applied to their 2021/22 renewal premiums.

In order to receive credit, the activities qualifying for the Premium Credit program must be completed by April 15 each year, with the documentation submitted to APEI by May 1. If after reading the instructions and looking over the materials you have any questions, please feel free to call APEI Loss Control staff for assistance.

Estimated Portion of APEI Premium for Policy Year 2020/21 that is attributable to COVID-19

APEI has estimated the amount of each member's premium that represents costs associated with COVID-19. This estimate was prepared to assist our members in evaluating the amount of their premium that is incurred due to COVID-19 in accordance with section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and related implementation guidance provided by the U.S. Treasury Department.

Line of Business	Estimated Insurance Costs Associated With COVID-19
Property (including Mobile Equip)	\$4,212.88
General Liability	\$1,658.69
Automobile	\$716.83
Workers' Compensation	\$3,311.42
All Lines Combined	\$9,899.82

Contact us today!

Clark Cripps

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"We're HUB - We help you prepare for the unexpected. When you partner with us, you're at the center of a vast network of experts who will help you reach your goals through risk services, claims management, and compliance guidance. With HUB, you have peace of mind that what matters most to you will be protected — through unrelenting advocacy and tailored solutions that put you in control."



APEI Membership: What Municipal Leaders Need to Know

Carleen Mitchell, Deputy Director
Alaska Public Entity Insurance

Why this training is important



- As the leaders of your organization and the supervisors to your city manager, it's important to be aware of risk management and your role in supporting staff in their effort. As your insurance provider, APEI plays a significant role in your city's risk management and we can work with you to identify and manage risks.
- We want to make sure you are familiar with APEI and aware of the programs and services we offer. We also want to alert you to some potential pitfalls that can preclude coverage in certain situations.
- APEI is aware of the shrinking budgets of our membership. We want to make you aware of how we can help your organization save money through risk management and on your insurance premium. APEI has MANY tools and resources available to assist with this.

Who is Alaska Public Entity Insurance



- Non-profit administrator of a Joint Insurance Arrangement, commonly called a “pool” of Alaskan entities that self –insure one another and is authorized by Alaska Statute 21.76.
- Provides property, liability, and WC coverage for 38 school district and charter school members, and 33 municipalities and related organizations (volunteers fire departments, medical centers, etc.). Many of our members have been with APEI for 10+ years.
- APEI was initially organized in 1986 by the Association of Alaska School Boards (AASB) to write property insurance for school districts. Starting in 1998, APEI’s scope of operations expanded to include municipalities and to provide liability and workers’ compensation coverage.
- Governed by an 11-member board of directors made up of member representatives, all of whom have a stake in the process.
- As a pool, APEI’s focus is exclusively on protecting the needs of pool members.
- APEI requires all members work with an independent broker. This to ensure that members get the best advice possible regarding their unique needs.

Who is Alaska Public Entity Insurance (cont.)



Barbara Thurston
Executive Director



Carleen Mitchell
Deputy Director



Cole Cummins
Loss Control Manager



Julie McBrien
Data Analyst



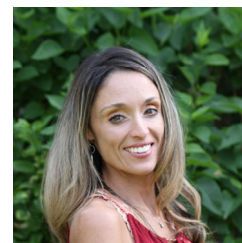
Chris Luck
Office Manager



Brad Thompson
Claims Director



Kyle Hardin
P/C Claims Manager



Jessica Garrett
WC Claims Manager



Buffy Blais
WC Claims Adjuster

What is the City Council's role in Risk Management ?



City council's role is oversight of managing risks and insurance, not a direct role.

- Loss control starts at the top
- The assembly/council's direct employee is the City Manager
- Dealing with losses costs money and takes staff time

Appropriate questions to ask:

- What is our city's loss history?
- What are our insurance coverage limits and deductibles?
- What kinds of employee training are being done?

APEI Coverages



- Property (including flood, earthquake, equipment breakdown and crime)
- Liability (including employment practices, cyber)
- Auto Liability and Physical Damage
- Mobile Equipment
- Workers Compensation (including for out-of-state employees)

Other Coverages that we can help you procure from another carrier:

- Marine
- Airport and Aviation
- Excess Cyber
- Tenant Users Liability Insurance Program (TULIP)

APEI Coverages (cont.)



Important considerations you may want to ask your city manager about:

Property (including flood, earthquake and crime)

- Is all property on the schedule or is there property that should be removed
- Property deductible and how it's being budgeted

Liability (including employment practices, cyber)

- Management training for policies and best practices
- Training for cyber threats and theft

Workers Compensation (including for out-of-state employees)

- Are reports of injury made timely to APEI
- Is training on accident/injury prevention provided
- Does your organization have any employees working out of state

Auto Liability and Physical Damage

- Are all autos on the schedule or are there any that should be removed
- Are vehicles valued correctly

APEI Services for Our Members: Legal Fee Reimbursement



- As a condition to your employment practices liability coverage, APEI requires that, prior to an involuntary termination an attorney be consulted on the termination and their advice followed.
- *APEI will reimburse up to one hour of fees for the legal consultation.*
- Prior to any termination, please consult with an employment law attorney on the decision. You may also reach out to APEI for additional assistance.

APEI Services for Our Members: Consultation



- OSHA Compliance
- Fire and life Safety
- Job Hazards and Ergonomics
- Safety Program Development
- Playground Safety
- Safety Leadership
- Risk Analysis and Management
- Management & Supervision
- Employment Law
- ADA Accommodation
- Reasonable Suspicion/Drug Testing
- Discrimination/Harassment Prevention
- Personnel Policies
- FMLA/AFLA

For Employee Safety and Property Loss Control:

Cole Cummins, Loss Control Manager

(907) 523-9470

ccummins@akpei.com

For Human Resources Loss Control

Carleen Mitchell, Deputy Director

(907) 523-9430

cmitchell@akpei.com

APEI Services for Our Members: Training



Safety Loss Control Training Topics:

- Confined Space Entry
- Lockout/Tagout
- Hazard Communications
- Bloodborne Pathogens
- Root Cause Accident Investigation
- Ergonomics
- Personal Protective Equipment
- Fire and Life Safety
- Implementing Safety Committees
- Job Hazard Analysis
- Playground Safety
- Creating a Safety Program
- Safety Leadership
- OSHA for Supervisors

APEI Services for Our Members: Training



Human Resources Loss Control Training Topics:

- Management Best Practices
- Conducting Job Interviews
- New Employee Onboarding and Orientation
- Performance Appraisals and Performance Management
- Documenting Employment Actions and Disciplinary Issues
- Discrimination/Harassment Prevention for Supervisors and Staff
- Confronting Bullying
- Addressing Substance Abuse in the Workplace
- Americans with Disabilities Act
- Family Medical Leave Act/Alaska Family Leave Act
- ADA, FMLA, AFLA and Workers' Comp Overlap
- Conflict Resolution
- Termination Decisions
- Completing Form I-9
- Conducting Internal Investigations
- Personnel File Maintenance

APEI Services for Our Members: Loss Control Grants



APEI offers grants to be applied to safety training or equipment, including personal protective equipment. Members purchase the items/services and requests reimbursement through the grant.

Total Member Premium	Maximum Grant Reimbursement
Less than \$100,000	\$1,000
\$100,001-\$399,999	\$2,000
\$400,000-\$999,999	\$3,000
\$1 million or more	\$5,000

APEI Services for Our Members: Loss Control Premium Credits



Safety Committee

Credit of up to 3% applied to the Workers' Compensation Premium for members who have a safety committee that meets at least 4 times per year

Fire/Safety Self Inspection

Credit of up to 4% applied to the Property Premium for members who complete a self-inspection checklist for their larger buildings

Employee Safety Program Self-Audit

Credit of up to 2% applied to the Workers' Compensation Premium for members who complete a self-audit checklist of their safety procedures

APEI Services for Our Members: Loss Control Premium Credits (cont.)



Earn credit towards WC and liability coverage when employees complete training in different areas.

- **TargetSolutions online training:** A wide variety of topics are available, and training is automatically reported to APEI.
- **Live webinars:**
 - Presented monthly by APEI.
 - Can also be developed specifically for your organization and presented at a time that best fits your needs.
- **Recorded webinars:** APEI live webinars are recorded and posted on the APEI website.
- **On-site training:** APEI staff are available to visit your location to present safety and human resources related training of your choosing to management and staff.

And the cost for these training resources? NOTHING!!

APEI Services for Our Members: Loss Control Premium Credits (cont.)



To receive the maximum credit towards their liability premium, Municipalities must complete:

- APEI's City Council/Assembly training for each City Council, Assembly, or member of a similar governing body will earn the member a credit of 2%.
- Completion of an average of one hour of Human Resources training per employee will earn the member a credit of 3%.
- An average of 5 hours of training per employee in either safety or sexual abuse prevention will earn the member a 5% credit.

APEI Services for Our Members: Tenant Users Liability Insurance Program



- Also known as “TULIP”
- Fast, easy method of procuring liability insurance to cover most types of events and activities sponsored by a third party that take place at various APEI member facilities
- Protects both the user and the facility against claims by guests who may be injured while participating in an event
- You can present the TULIP program to a facility lessee as part of the rental agreement

For more information visit <https://akpei.com/coverages/>

APEI Services for Our Members: Loss Control Manual



Updated annually, the Loss Control Manual provides:

- Detailed information about all the services described here
- Detailed information about our premium credit and grant programs
- Forms and guidelines for your organization to use for a variety of loss control activities
- “Safety Short” information sheets that can be used with safety committees and for safety training
- Many more resources to assist with your risk management programs

Thank you for attending today!



By attending today, you have taken a significant step in helping your organization reduce risk and save money. We hope that you found this information beneficial.

Please remember that APEI is here to help! Let us know if you have any questions regarding:

- Your organization's coverage
- Filing claims or open claims
- Loss control services
- Premium credit and grant programs
- Anything else we may be able to assist with!